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¶(aa) by a representative payee shall be considered a misapplication of benefits for all purposes of this paragraph and any representative payee who knowingly misappropriates benefits from such an account shall be liable to the Commissioner in an amount equal to the total amount of such benefits: ¶(bb) by an eligible individual who is his or her own payee shall be considered a misapplication of benefits for all purposes of this paragraph and the total amount of such benefits used shall be considered to be the uncompensated value of a disposed resource and shall be subject to the provisions of section 1613(c). "(IV) This clause shall continue to apply to funds in the account after the child has reached age 18, regardless of whether benefits are paid directly to the beneficiary or through a representative payee.

¶(iii) The representative payee may deposit into the account established pursuant to clause (i) —

"(I) past-due benefits payable to the eligible individual in an amount less than that specified in clause (i) (II), and

"(II) any other funds representing an underpayment under this title to such individual, provided that the amount of such underpayment is equal to or exceeds the maximum monthly benefit payable under this title to an eligible individual.

¶(iv) The Commissioner of Social Security shall establish a system for accountability monitoring whereby such representative payee shall report, at such time and in such manner as the Commissioner shall require, on activity respecting funds in the account established pursuant to clause (i) —

(b) EXCLUSION FROM RESOURCES.— Section 1613(a) (42 U.S.C. 1382b(a)) is amended —

(1) by striking "and" at the end of paragraph (10);

(2) by striking the period at the end of paragraph (11) and inserting "· and"· and

(3) by inserting after paragraph (11) the following new paragraph:

"(12) any account including accrued interest or other earnings thereon, established and maintained in accordance with section 1631(a)(2)(F) ·

(c) EXCLUSION FROM INCOME.— Section 1612(b) (42 U.S.C. 1382a(b)) is amended —

(1) by striking "and" at the end of paragraph (19);  
(2) by striking the period at the end of paragraph (20) and inserting "; and"; and  
(3) by adding at the end the following new paragraph:  
"(21) the interest or other earnings on any account established and maintained in accordance with section

(d) EFFECTIVE DATE. — The amendments made by this section 42 use 1382a shall apply to payments made after the date of the enactment of this Act.

**SEC. 214. REDUCTION IN CASH BENEFITS PAYABLE TO INSTITUTIONALIZED INDIVIDUALS WHOSE MEDICAL COSTS ARE COVERED BY PRIVATE INSURANCE.**

(a) IN GENERAL — Section 1611(e)(1)(B) (42 U.S.C. 1382(e)(1)(B)) is amended by inserting "or in the case of an eligible individual who is a child under the age of 18, receiving payments (with